

At a Glance

Organization

Lakeside Health System
Brockport, N.Y.

- 100-bed community hospital
- Designated New York state stroke center
- Includes Lakeside Beikirch Care Center and Daisy Marquis Jones Family Wellness Center

Solution Spotlight

- McKesson Managed Services™
 - Strategic Outsourcing
 - Accelerated Services
 - Application Management Services

Critical Issues

- Lack of internal IT expertise to implement meaningful use initiatives
- Inadequate capital resources
- Difficulty in hiring specialized technical expertise
- Need for project management of multiple application rollouts

Results

- Gained access to 24x7 call center
- Saved \$200,000 in staffing costs by outsourcing
- On schedule to achieve Stage 1 meaningful use requirement

Lakeside Health System Achieves Meaningful Use Goals with Strategic Outsourcing

Lakeside Health System, a 100-bed community hospital in Western New York, wanted to quickly implement an electronic health record (EHR) system to meet Stage 1 meaningful use criteria under the American Recovery and Reinvestment Act (ARRA).

Faced with a lack of skilled information technology (IT) resources and capital constraints, Lakeside outsourced its IT department to McKesson for the rollout and ongoing operations of clinical and financial systems. The decision gave the hospital access to experienced IT professionals familiar with a broad range of applications and helped ensure that it could achieve goals on time and without the costly addition of new personnel.

Challenges

When Lakeside's administrative leadership and physicians began planning for a major implementation of healthcare IT technology, they realized that the IT department was understaffed and did not possess the advanced skills needed for such a complex project. A survey of community hospitals revealed that the department had only 50% of the personnel of similar size facilities. Although the health system lacked an EHR, the goal was to build the infrastructure and roll out a

variety of applications within a one-year time frame — a rapid pace for such a small facility. In addition, the hospital would also need access to a call center to ensure that technical and application issues were addressed quickly.

Answers

Lakeside selected Paragon®, McKesson's comprehensive hospital information system, to support its path to meaningful use and engaged McKesson's Strategic Outsourcing services for its daily IT operations. The hospital also chose to use McKesson's Accelerated Services for project-based staff augmentation, enabling rapid deployment of each new application. During this process, physicians and other hospital personnel stayed connected with McKesson's remote call center to handle technical issues.

"We are working with people who understand McKesson applications and know how to manage the project in an expert manner," says Bridgett Reed, Lakeside's chief financial officer and chief information officer.

After beginning the process in January 2011, the hospital is on track to implement the EHR, along with computerized provider order entry (CPOE), document imaging and other applications by year-end.

Case Study

"We're taking one year to accomplish what some hospitals take three to four years to do. We could not have achieved as much as we have in such a short period of time without McKesson."

Bridgett Reed

*Chief Financial Officer and
Chief Information Officer
Lakeside Health System*

"We're taking one year to accomplish what some hospitals take three to four years to do," says Reed. "We could not have achieved as much as we have in such a short period of time without McKesson. Our risk assessment found there was little chance that we could pull it off using our own resources."

In addition to maintaining its full-time IT staff, the hospital has access to a wide array of experts through remote support provided by McKesson's Application Management Services. These experts manage the ongoing support and maintenance of currently installed McKesson applications, as well as new McKesson applications once they are live. Reed notes that user satisfaction with McKesson's IT response service levels has reached high levels.

Results

Lakeside achieved improvements in the delivery of IT services throughout the organization. Satisfaction rates of personnel requesting services ranged between 90% and 100%.

The hospital also improved service delivery without hiring the large number of personnel that would have been needed had the implementation been handled in house. By outsourcing, Lakeside saved approximately \$200,000, Reed says.

"You may have the activity now to warrant hiring, but what happens a year or two from now?" she says. "You're not going to have that same level of staffing need."

She also realized that finding the necessary skills and talents would be extremely difficult, especially with more hospitals gearing up for meaningful use projects.

"We didn't have the capacity or the skill set to manage a project of this size," explains Reed. "We needed project support that could prepare the hardware, install the software and move the data quickly, while tying things together effectively from both an IT and project perspective."

Lakeside used the McKesson Managed Services™ contract to set performance targets and secure predictable pricing for its healthcare IT services.

"We're a small health system, and we don't know what is going to happen three to five years from now," explains Reed. "With outsourcing, we know what our costs will be, and our contract is performance-based with fixed pricing."

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